

LEASE AGREEMENT
BETWEEN
BETTY B. CASEY TRUST
AND
MONTGOMERY COUNTY, MARYLAND

DATED 3/18/98

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LEASE AGREEMENT

THIS AGREEMENT, entered into this 15 day of Mar, 1998, by and between, BETTY B. CASEY TRUST, having an address of c/o Casey Management Co., 800 South Frederick Avenue, Suite 100, Gaithersburg, Maryland, 20877 (hereinafter referred to as "Landlord") and MONTGOMERY COUNTY, MARYLAND, (hereinafter referred to as "Tenant").

WITNESSETH:

In consideration of the rent hereinafter reserved, and the covenants hereinafter contained, the parties hereto mutually agree as follows:

1. PREMISES: Landlord does hereby lease and demise unto Tenant and Tenant hereby leases from Landlord the premises described as 3,352 square feet of space at 800 South Frederick Avenue, Suite 201 Gaithersburg, Maryland, 20877 as outlined in red on "Exhibit A" attached hereto and made a part hereof. Said space is hereinafter referred to as the "Leased Premises."

2. TERM: The term of this Lease shall be five (5) years, to commence on or about June 1, 1998, and terminate at midnight May 31, 2003.

3. BASE RENT: Tenant covenants and agrees to pay annual Base Rent during the term of this Lease, payable by Tenant in equal monthly installments, in advance, on or before the first day of each month, to and at the offices of Betty B. Casey Trust, c/o Casey Management Co., 800 South Frederick Avenue, Suite 100, Gaithersburg, Maryland, 20877, or at such other place designated by Landlord, without prior demand therefore, and without any deduction or set-off whatsoever, (except for abatements as provided under paragraph 17 of this Lease Agreement) in the annual amount of SIXTY EIGHT THOUSAND SEVEN HUNDRED SIXTEEN AND 00/100 (\$68,716.00) DOLLARS, payable in equal monthly installments of FIVE THOUSAND SEVEN HUNDRED TWENTY SIX AND 33/100 (\$5,726.33)

DOLLARS. The Rent Commencement Date shall coincide with the Lease Commencement Date as set forth in Paragraph 2 hereinabove. The first rental payment shall be due and payable on the Lease Commencement Date. If the Lease Commencement Date occurs on other than the first day of a calendar month, the Base Rent shall be pro-rated at the rate of one-thirtieth (1/30th) of the applicable monthly installment per day for each day of such partial month.

4. RENT ADJUSTMENT: It is agreed between the parties that the base rent payable by the Lessee as set forth in Paragraph 3 hereinabove shall be adjusted at the beginning of the second (2nd) lease year, and each year thereafter, based on an increase of three percent (3.0) of the previous year's base rent.

5. REAL ESTATE TAXES:

A. Commencing with the second Lease Year, and every Lease Year thereafter, the Landlord shall forward to the Tenant a statement and copies of paid tax receipts setting forth the amount of Real Estate Taxes (as hereinafter defined) levied or imposed against the land and improvements of which the Leased Premises are a part. The Tenant shall pay to the Landlord as additional rent, upon receipt of the Landlord's statement and receipts, but in no event more than 30 days after receipt of Landlord's statement and receipts, any increase in the said Real Estate Taxes over the Real Estate Taxes assessed against the land and improvements of which the Leased premises are a part during the "Base Year." The Base Year is hereby defined to be the period from January 1, 1998 through December 31, 1998. The Base Year figure will not include any amount which represents an increase in the assessed value of the premises as a result of the Tenant improvements as herein

described. The Landlord's statement shall contain copies of Real Estate Tax billings for the Base Year as well as the tax year for which the payment is required.

B. The term "Real Estate Taxes" shall be deemed to mean all property taxes and assessments, general and special, levied or imposed by appropriate taxing authorities with respect to the land, building and improvements of which the Leased Premises are a part. If the system of real estate taxation shall be altered or varied or any new tax or levy shall be levied or imposed on said land, buildings and improvements by an appropriate taxing authority, the new tax or levy shall be included within the term "Real Estate Taxes." Landlord shall use commercially reasonable efforts to minimize any increase in taxes. Tenant shall not be responsible for any tax directly attributable to the sale or refinancing of the building by Landlord.

C. Tenant shall pay to Landlord said increased taxes as additional rent for Tenant's proportionate share of the building, which share is hereby determined to be 5.7% within thirty (30) days after receipt of Landlord's statement. Tenant proportionate share is computed as follows:

$$\frac{100 \times 3352 \text{ square feet leased}}{58,724 \text{ square feet in building}} = 5.7\%$$

6. CONSTRUCTION: Landlord, at its expense, shall construct the premises in accordance with the plans and specifications approved by the Landlord and the Tenant which are referred to as Exhibit A. Landlord shall complete the construction no later than sixty (60) days after the execution of the Lease. Landlord and Tenant agree that construction cost will not exceed \$20.00 per square foot.

7. USE: Tenant covenants and agrees that said premises shall be used and occupied by Montgomery County as general offices and for no other purpose. Tenant shall have the right to occupy and use the premises 24 hours a day, seven days a week.

8. ANNUAL OPERATING COSTS:

A. The term "Annual Operating Costs" means the actual costs incurred by Landlord in operating and maintaining the land and improvements in which the Leased Premises are located (the "Property") during each calendar year of the Lease Term. Such costs shall include, by way of example rather than of limitation; charges or fees for, and taxes on, the furnishing of water, sewer service, gas, fuel, electricity or other utility services to the Property; janitorial and trash removal service, costs of maintaining grounds, common areas and mechanical systems of the buildings; all other costs of maintaining, repairing or replacing any or all of the Property; charges or fees for any necessary governmental permits, management fees or overhead and expenses, premiums for hazard, liability, workmens' compensation or similar insurance upon any or all of the Property; costs arising under service contracts with independent contractors; costs of any services not provided by Landlord to the Property on the date hereof but hereafter provided by the Landlord in its prudent management of the Property; and the costs of any other items which under generally accepted accounting principles, consistently applied from year to year with respect to the Property, constitute operating or maintenance costs attributable to any or all of the Property. Such cost shall not include the expense of principal and interest payments made by Landlord pursuant to the provisions of any mortgage or deed of trust covering the Property; any deduction for depreciation of

the Property taken on the Landlord's income tax returns, the cost of fix-up of Leased Premises as stated in paragraph (6) or the cost of capital improvements made to the Property.

Annual Operating Costs shall not include costs incurred wherever the Tenant and/or any other tenant of space within the Property has agreed to provide any item of such services partially or entirely at its own expense, wherever any such item of expense is not incurred with respect to or for the benefit of all of the net rentable space within the Property. Annual Operating Costs also shall not include legal and accounting fees for sales, refinancing, new leases or disputes with tenants. In allocating the Annual Operating Costs pursuant to the foregoing provisions of this subsection the Landlord shall make an appropriate adjustment, using generally accepted accounting principles, as aforesaid, so as to avoid allocating to Tenant those Annual Operating Costs covering such services already being provided by Tenant or by such other tenant at its own expense, or to avoid allocating to all of the net rentable space within the Property those Annual Operating Costs incurred only with respect to a portion thereof, as aforesaid.

- B. The Term "Tenant's Operating Costs Percentage": means the percentage assigned to the Premises for purposes of allocating the Annual Operating Costs to the Premises in accordance with the provisions of this subsection, which represents the approximate and (for purposes of the provisions of this Lease) hereby agreed upon proportion which the floor area of the Premises bears to the aggregate net rentable space within the Property.

Tenant's Operating Costs Percentage shall be 5.7% when Annual Operating Costs are attributed to the building in which the Premises are located.

- C. Payment as Additional Rent: Tenant shall, within thirty (30) days after demand therefore by Landlord (with respect to each calendar year during the Term), accompanied by a statement setting forth in reasonable detail the Annual Operating Costs for such calendar year, pay to the Landlord as additional rent the amount by which the Tenant's Operating Costs Percentage of the Annual Operating Costs for such calendar year exceeds the amount of \$29,095.36. This amount represents the full service basis of the Lease limited to a \$8.68 base year expense net of Real Estate Taxes.
- D. Proration: If a portion of any calendar year falls within the Lease Term, the amount payable as additional rent for such calendar year under the foregoing provisions of this subsection shall be prorated in proportion to the portion of such calendar year falling within the Lease Term (but the expiration of the Lease Term before the end of a calendar year shall not impair the Tenant's obligation hereunder to pay such prorated portion of such additional rent for that portion of such calendar year falling within the Lease Term, which shall be paid on demand, as aforesaid).

9. PROPERTY DAMAGE AND LIABILITY INSURANCE:

- A. Tenant shall obtain and maintain, during the full term of this Agreement and any extension thereof, a policy of public liability insurance with bodily injury limits of TWO HUNDRED THOUSAND (\$200,000.00) DOLLARS for injury (or death) to one person, FIVE HUNDRED

THOUSAND (\$500,000.00) DOLLARS per occurrence, and property damage insurance with a limit of ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS.

- B. Tenant agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy. In the event Tenant's articles causes any increase in the insurance premiums for the Leased Premises or any part thereof, Tenant shall pay the additional premiums as they become due. Tenant has the right to review the Landlord's policy(ies) premium and rates.
- C. Tenant agrees to hold harmless and hereby indemnifies Landlord, and Managing Agent, to the extent permitted by law, from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence, or occasioned wholly or in part by any act or omission of Tenant it agents, contractors, or its employees at or upon the Premises, or the occupancy or use by Tenant, of the Premises or any part thereof, or the Tenant's use of the exterior areas designated by Landlord for the comfort and convenience of Tenant. Tenant shall not, however, be liable for damage or injury occasioned by the negligent acts or omissions tortious, intentional acts or willful violation of this Lease by Landlord or its agents, or Landlord's failure to comply with its obligations hereunder. The tortious or intentional act of other people of entities are also excluded from this indemnification.

This indemnification is limited to damages arising solely from Tenant's negligence and is subject to the liability and damage caps stated in the Local Government Tort Claims Act. Notwithstanding the

aforementioned indemnification provisions of this Lease, nothing in Lease should be considered to constitute a waiver of governmental immunity and is not intended to create any rights or causes of action in third parties.

- D. Landlord agrees to hold harmless and hereby indemnifies Tenant, from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence upon or at the leased premises, or the occupancy or use by Landlord of the leased premises or any part thereof, or the Landlord's use of the exterior areas provided for Tenant for the comfort and convenience of the Landlord, or occasioned wholly or in part by any act or omission of Landlord, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the Tenant, the Tenant's agents, and employees. Landlord shall indemnify Tenant against any penalty, damage or charge incurred or imposed by reason of Landlord's violation of any law or ordinance. In case Tenant shall, without fault on its part, be made a party to any litigation commenced by or against Landlord, then Landlord shall protect and hold Tenant harmless.
- E. All the furnishings, fixtures, equipment, effects and property of every kind, nature and description belonging to Tenant or to any person claiming by, through or under Tenant which, during the continuance of this Lease or any occupancy of the Leased Premises by Tenant or anyone claiming under Tenant, shall be at the sole risk of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft, or from any other cause, no part of said loss or

damage is to be charged to or to be borne by Landlord unless due to the negligence of Landlord or Landlord's failure to comply with its obligations hereunder.

- F. Tenant shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described within thirty (30) days from execution of this Lease. Tenant reserves the right to self insure. Tenant and Landlord hereby waive any right of subrogation against the other to the extent that the liability arises from a cause covered by insurance and only to the extent of the insurance proceeds recovered, and provided that the parties' insurance policies permit such a waiver.

10. ACCESS: Tenant will allow Landlord or Landlord's agents to have access to the Leased Premises upon reasonable notice, except in the event of emergency, to Tenant and at all reasonable times for the purpose of inspection or in the event of fire or other property damage, or for the purpose of performing any maintenance and repairs Landlord may consider necessary or desirable; or for the Landlord to show the Leased Premises to prospective Tenants during the 12 months preceding expiration of the Lease term and to prospective purchasers and mortgagees at all reasonable times upon reasonable notice to Tenant; provided, however, Landlord shall not interfere with Tenant's use of the premises. Landlord shall provide controlled access to the front and rear entrances to the building, and at least one elevator after normal full service building hours.

11. SERVICES: Landlord, at Landlord's sole expense, shall provide all utilities, maintenance and repairs, trash removal and pest control within the Leased Premises. Pest control will be provided on an as needed basis not to exceed one time per calendar quarter. Tenant must request pest control in writing to Landlord. Landlord, at Landlord's sole expense, shall provide janitorial services within the Leased Premises, after 5:00 P.M., Monday through Friday.

A. Janitorial Services: In the event Landlord fails to provide satisfactory janitorial services in the Leased Premises, after written notice of ten (10) business days is given specifying in detail Landlord's failure, Tenant shall have the right but not the obligation to assume responsibility for said services and be reimbursed by Landlord the reasonable cost thereof. If Landlord, at any time during the Lease Term, shall default in any material respect in the performance or observance of any obligation on Landlord's part to be performed or observed pursuant to Articles 11 and 12 of the Lease, and shall not cure such default within thirty (30) days after receipt of written notice thereof from Tenant (or shall not within said period commence to cure such default and thereafter prosecute the curing of such default to completion with due diligence), then, provided Tenant is not then in default under the Lease, beyond applicable notice and grace periods, Tenant may, at its option, but is under no obligation to so act, cure such default, and Landlord agrees to reimburse Tenant the amounts reasonably incurred by Tenant in so doing within a reasonable period of time agreed to by both Tenant and Landlord; provided that Tenant shall not undertake maintenance, repairs and/or replacements to any structural element of the Building or the roof thereof or to any Building service equipment or system which serves or may affect any space in the Building other than the Premises. Notwithstanding the foregoing, in no event shall Tenant be entitled to set-off or deduct any amounts incurred by Tenant hereunder against the Annual Base Rent or additional rent due under the Lease. A default of performance or observation of any obligation under Articles 11 and 12 of the Lease if not cured as provided above can, at the option of Tenant and after notice is given, be considered a default of the Lease and Tenant shall have those rights prescribed under Article 19.

12. HVAC SYSTEM: Landlord agrees to provide heating, ventilation, and air conditioning during those seasons of the year when such services are necessary from 8:00 AM until 6:00 PM, Monday through Friday and 9:00 AM to 1:00 PM on Saturday, exclusive of legal holidays, in amounts and quantities sufficient to maintain in a balanced, comfortable manner all space occupied by the Tenant. Legal holidays are hereby defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day. Landlord will provide heating, ventilation and air conditioning in addition to the herein stated hours, provided that Tenant notifies Landlord 24 hours in advance, before noon on the day preceding the requested service (noon Friday for Saturday and Sunday) of such requirement for additional heating or air conditioning. Tenant shall pay an hourly charge for such additional HVAC services to reflect cost of utilities and other costs of operating the HVAC equipment, the rate currently being \$25.00 per hour per Tenant's space, with a \$25.00 minimum. The air conditioning shall be so balanced as to provide a temperature range between 74 and 78 degrees Fahrenheit. The heating shall be so balanced as to provide a temperature range between 68 and 72 degrees Fahrenheit. Landlord shall, during emergencies, change these temperature guidelines in accordance with Federal, State and local requirements.

13. ALTERATIONS, ADDITIONS AND IMPROVEMENTS:

- A. Tenant will not make any alterations, additions, or improvements of any kind to the Leased Premises without the Landlord's written consent, which consent shall not be unreasonably withheld. Tenant shall provide Landlord with plans and specifications of said work. Tenant agrees to reimburse Landlord for all costs incurred by Landlord in reviewing Tenant's proposed changes or additions and improvements and provided further that, in order to protect the functional integrity of the Building, Landlord shall have the right to approve Tenants contractor, and such approval shall not be unreasonably withheld. Upon receipt of Landlord's written approval of the Tenant's plans and specifications,

Tenant's option, Tenant may request that Landlord perform said work at Tenant's expense and at negotiated prices. Tenant shall pay for any work performed by Landlord on Tenant's behalf after inspection by Tenant and within thirty (30) days from the submission of an invoice by Landlord for work reasonably approved by Tenant, as additional rent hereunder.

- B. All alterations, additions, or improvements made by either of the parties hereto upon the premises shall become the property of the Landlord and shall remain upon and be surrendered with the Leased Premises upon the termination of this Lease unless Landlord requires Tenant to remove such property at the time Landlord approves installation of such improvements. Tenant shall, with Landlord's written consent, which shall not be unreasonably withheld, have the right to install any furniture or office machinery necessary in the conduct of its business within the Leased Premises, and the same shall remain the property of the Tenant, and shall be removed by Tenant upon the termination of this Lease.
- C. Landlord will not approve any construction, alterations or additions requiring unusual expense to readapt the Leased Premises to normal office use upon Lease termination or increase the cost of construction, insurance or taxes on the Building or of Landlord's services called for by this Lease unless Tenant first gives assurances acceptable to Landlord that such readaptation will be made prior to lease termination without expense to Landlord and makes provisions acceptable to Landlord for payment of such increased cost. All changes and additions shall be part of the Building except such items as by writing at the time of approval the parties agree shall be removed by Tenant upon termination of this Lease.

14. NOTICE OF DEFECTS: Tenant shall provide Landlord with prompt notice of accidents on or damages to the structure, equipment, or fixtures of the Leased Premises, or notice of need for repairs in the roof, plumbing, electric and heating systems, to be remedied by Landlord in accordance with the terms of this Lease.

15. ASSIGNMENT AND SUBLEASING: Tenant shall not have the right to transfer possession or occupancy of the Leased Premises, nor sublet or assign this Lease to any person or persons without the prior written consent of the Landlord. Landlord's consent shall not be unreasonably or unduly withheld. Tenant agrees not to market or advertise the Leased Premises for sublet or this Lease for assignment without the prior written consent of Landlord as to all advertising, marketing and promotional materials. In the event that any assignee or subtenant pays to Tenant any amounts in excess of the Annual Base Rent and additional rent then payable hereunder, or pro rata portion thereof on a square footage basis for any portion of the Premises, Tenant shall promptly pay 50% of such excess to Landlord as and when received by Tenant. If Tenant requests Landlord's consent to assign this Lease or sublet more than 50% of the Premises, Landlord shall have the option, exercisable by written notice to Tenant given within 10 days after receipt of such request, to terminate this Lease as of a date specified in such notice which shall be not less than 30 or more than 60 days after the date of such notice. Any such assignment or subleasing shall not relieve Tenant from obtaining the consent in writing of Landlord to any further assignment or subleasing.

16. TENANT'S COVENANTS: Tenant covenants and agrees:

- A. To pay to Landlord the rent herein stated during the term hereof and until possession of the Leased Premises is redelivered to Landlord.
- B. Not to strip or overload, damage or deface the Leased Premises or hallways, stairways, elevators or other approaches thereto.

- C. Not to suffer or permit any trade or occupation to be carried on or use made of the premises which shall be unlawful, noisy, offensive or injurious to any person or property, or such as to increase the danger of fire or make void or voidable any insurance on said Building, in Landlord's concern to maintain the first-class business (non-medical, non-lab) nature of the Building.
- D. Not to move any furniture or equipment into or out of the Leased Premises without Landlord's consent thereto, which consent shall not be unreasonably withheld.
- E. Not to place upon the interior or exterior of the Building or any window or other part thereof or door of the Leased Premises any placard, sign, covering or drapes, except such and in such place as shall have been first approved by Landlord, which approval shall not be unreasonably withheld. To remove, at Tenant's expense, any changes, additions, signs, curtains, blinds, shades, awnings, aerials, flag poles, or the like not consented to in writing.
- F. To conform, after reasonable prior notice, to all rules and regulations from time to time established by appropriate insurance rating organizations, and to all reasonable rules and regulations from time to time established by Landlord.
- G. To keep the Leased Premises equipped with all safety appliances required by law or ordinance or any other regulation of any public authority because of any use made by Tenant and to procure all licenses and permits so required because of such use and, if requested by

Landlord, to do any work so required because of such use, it being understood that the foregoing provisions shall not be construed to broaden in any way Tenant's Permitted Uses.

- H. To keep all of Tenant's employees working in the Premises covered by worker's compensation insurance in statutory amounts and to furnish Landlord with a current certificate thereof. Tenant reserves the right to self-insure.

17. DESTRUCTION OF PREMISES: In the event of damage or destruction of the Leased Premises by fire or any other casualty, this Lease shall not be terminated, but the premises shall be promptly and fully repaired and restored as the case may be by the Landlord to the extent of Landlord's insurance proceeds provided such repair and or restoration returns the Premises to substantially the condition prior to such damage or destruction. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such other delays as may result from government restrictions, and controls on construction, if any, and for strikes, national emergencies and other conditions beyond the control of the Landlord. It is agreed that in the event of damage or destruction, this Lease shall continue in full force and effect, except for abatement of rent as provided herein. If the condition is such as to make the entire premises untenable, then the rental which the Tenant is obligated to pay hereunder shall abate as of the date of the occurrence until the premises have been fully restored by the Landlord. Any unpaid or prepaid rent for the month in which said condition occurs shall be prorated and credited or paid to the appropriate party. If the Leased Premises are partially damaged or destroyed, then during the period that Tenant is deprived of the use of the damaged portion of said premises, Tenant shall be required to pay rental prorated to reflect that portion of the Leased Premises which continues to be tenantable and appropriate for Tenant's use. Landlord will proceed at its expense and as expeditiously as may be practicable to repair the damage. Notwithstanding any of the foregoing, in the event of substantial damage or destruction, and Landlord should decide

not to repair or restore the Leased Premises or the building, in which event and at Landlord's sole option, Landlord may terminate this Lease forthwith, by giving Tenant a written notice of its intention to terminate within sixty (60) days after the date of the casualty. No compensation, or claim, or diminution of rent other than as described above will be allowed or paid, by Landlord, by reason of inconvenience, annoyance, or injury to business, arising from the necessity of repairing the Leased Premises or any portion of the building of which they are a part.

18. DELIVERY OF THE PREMISES: Tenant covenants at the expiration or other termination of this lease, to remove all goods and effects from the Leased Premises not the property of Landlord, and to yield to Landlord the Leased Premises and all keys, locks and other fixtures connected therewith (except trade fixtures and other fixtures belonging to Tenant), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk for which Tenant is not herein expressly made liable excepted.

19. DEFAULT:

A. By Tenant: In the event that rent, or any installment thereof, shall remain unpaid after it becomes due and payable, for ten (10) days after written notice to the Tenant for same, or if Tenant or Tenant's assigns shall fail or neglect to keep and perform each and every one of the terms of this lease, and such failure or neglect continues for more than thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence,) after written notice to Tenant from the Landlord specifying the default, then at the option of the Landlord, the Landlord and his assigns may proceed to recover possession under the laws of the State of Maryland. Landlord may also pursue any rights and remedies available for such default under the laws of the State of Maryland.

- B. By Landlord: In the event that the Landlord or his assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and agreements contained herein, and such failure or neglect is not remedied within thirty (30) days (or such period as either otherwise provided herein on as may reasonably be required to correct the default with exercise of due diligence) after written notice from the Tenant or his assigns specifying the default, then the Tenant or his assigns, at Tenant's option, may pursue any and all legal remedies available. It is understood, however, that Landlord shall be entitled to notice, hearing and opportunity to cure or contest any claimed violations of the foregoing as to the full extent provided by federal, state or local law.
- C. No default as hereinbefore provided shall be deemed complete unless at the time Landlord or Tenant seeks to take any action based upon such alleged default the same shall remain uncured by the defaulting party.

20. HOLDOVER: If Tenant shall hold possession of the Leased Premises after the expiration or termination of this Lease, at Landlord's option (i) Tenant shall be deemed to be occupying the Leased Premises as a tenant from month to month, not to exceed a period of 6 months during which time either party may terminate this Lease on thirty (30) days written notice, and will be otherwise subject to all of the terms and conditions of this Lease, or (ii) Landlord may exercise any other remedies it has under this Lease or at law in equity including an action for holding over after the date stipulated in Landlord's notice above.

21. QUIET POSSESSION: Contingent on the performance of all covenants, conditions and agreements herein contained to be performed on Tenant's part, Tenant shall at all times during the term of this lease have the peaceable and quiet enjoyment and possession of the Leased Premises for the purposes herein cited.

22. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the parties hereto that the Landlord and Tenant, as their interests may appear and at their respective expense, will promptly comply with, observe and perform all of the requirements of all the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal government, the State of Maryland, the Montgomery County government, or the Montgomery County Fire Marshal's Office, and whether required of the Landlord or the Tenant.

23. WAIVER: The waiver at any time by the Landlord or Tenant of any particular covenant or condition of this Lease shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver shall not be construed or understood as waiving any further or other rights of any character whatsoever.

24. NON-DISCRIMINATION: Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 27-19 of the Montgomery County Code 1994, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, ancestry, marital status, national origin, race, religious belief, sexual preference or disability.

25. NON-APPROPRIATION: This lease is subject to the annual appropriation of funds. This lease shall terminate automatically on July 1 of any year for which Montgomery County, for whatever reason, does not appropriate funds to operate this project as stated. Tenant shall give Landlord at least thirty (30) days written notice of the lack of appropriation. The Landlord shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items for any amount of money for which there has been no appropriation of funds.

26. CONTRACT SOLICITATION: Except for McShea and Company, Inc., Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established, licensed commercial selling or leasing agencies maintained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

27. PUBLIC EMPLOYMENT: Landlord understands that unless authorized under Chapter 19A and Section 11B-52 of the Montgomery County Code 1994, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

28. CONDEMNATION: In the event that the Leased Premises, or any part thereof, or more than twenty-five percent (25%) of the building of which the Leased Premises are a part is taken or condemned for public use or purpose by any competent authority, Tenant shall have no claim against the Landlord and shall not have any claim or right to any portion of the amount that may be awarded as damages or paid as a result of any such condemnation; and all rights of the Tenant to damages therefore, if any, are hereby assigned by the Tenant to the Landlord. Upon such condemnation or taking, the term of this Lease shall cease and terminate from the date of such governmental taking or condemnation and the Tenant shall have no claim against the Landlord for the value of any unexpired term of this lease. The foregoing notwithstanding, Tenant shall be entitled to claim, prove and receive in the condemnation proceedings such awards as may be allowed for relocation expenses and for fixtures and other equipment installed by Tenant which shall not, under the terms of this Lease, be or become the property of Landlord at the termination hereof, but only if such an award is made by condemning authorities in addition to and stated separately from the award made for the land and the building or parts thereof so taken.

29. GENERAL PROVISIONS:

- A. Entire Agreement: It is further understood and agreed that this instrument contains the entire agreement between the parties hereto and shall not be modified in any manner except by an instrument in writing duly executed by the parties hereto.
- B. Rights and Remedies: In addition to any and all rights and remedies specifically mentioned in this Lease, Landlord and Tenant shall have all rights and remedies granted by Law or in equity. Resort to one remedy shall not be construed as a waiver of any other remedy. Failure by Landlord or Tenant to resort to any or all of their respective rights or remedies shall not be considered to be a waiver of such rights or remedies, nor to be acquiescence of any party in any action or default.
- C. Governing Law: The provision of this Lease shall be governed by the laws of the State of Maryland. If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby.

30. SUBORDINATION: Landlord shall have the absolute right to encumber the Leased Premises set forth in this Lease and the Lease, at the option of Landlord, shall be subordinate to such encumbrance or encumbrances. Tenant agrees to sign all papers for subordination within ten (10) days after Landlord's written request, provided such subordination shall be upon the express condition that the Lease shall be recognized by the holder of the encumbrance and the rights of Tenant shall remain in full force and effect during the initial Lease term or any extension thereof. In the event of a sale or transfer of the title to the aforesaid land and premises, any transferee shall be entitled to have this Lease

subordinated to the lien and effect of any first deed of trust or mortgage to secure purchase money. Tenant agrees to execute any subordination documents required by Purchaser, subject only to the reservations recited in this paragraph.

This Lease is subject and subordinate to all ground or underlying leases and to all mortgages and/or deeds of trust which may now or hereafter affect such leases or the real property of which the Demised Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof. This subordination provision shall be self-operative and no further instrument of subordination shall be required. Tenant shall be liable for any loss incurred by Landlord resulting from Tenant's failure to timely execute and deliver any instrument requested by Landlord confirming such subordination, and shall reimburse Landlord for the amount of any such loss upon demand, as additional Rent. Tenant further agrees that, at the option of the holder of any mortgage or the trustee under any deed of trust, this Lease may be made superior to said mortgage or first deed of trust by the insertion therein of a declaration that this Lease is superior.

31. BENEFIT AND BURDEN: The provisions of this lease shall be binding upon, and shall inure to the benefit of the parties hereto and each of their respective representatives, successors and assigns.

32. PARKING: Landlord shall provide unreserved parking in the surfaced parking facility adjacent to the building for the use of Tenant and Tenant's patrons in common with other Building tenants. Landlord shall provide eleven (11) surface parking spaces for the Tenant throughout the term of the Lease. Tenant agrees to abide by reasonable parking procedures which Landlord may from time to time establish. Landlord shall be responsible for the care and maintenance of the parking facility. Landlord shall provide, at Landlord's expense, proper lighting, periodic cleaning and repair of the parking facility as necessary.

33. RELOCATION: The Landlord reserves the right at any time prior to the commencement of the Lease Term, and upon thirty (30) days prior written notice to the Tenant of the Lease Term has commenced, to relocate the Tenant to such other space, area, or floor within the Building as the Landlord may deem advisable or necessary, provided, that such other space to area shall be of a similar nature and size to the Demised Premises described in Section 1 above, Landlord shall make whatever adaptation to the Premises necessary to make the area comparable to the Demised Premises. All shall be approved by Tenant, which approval shall not be unreasonably withheld. If such a relocation is made hereunder, Tenant agrees to execute upon request of Landlord, an amendment of this Lease re-describing the Demised Premises, but all other terms, covenants and conditions of this Lease shall remain in full force and effect. The Landlord shall pay all reasonable moving and construction cost incurred by Tenant in connection with such move.

34. MAIL NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail, postage prepaid, addressed to Landlord or Tenant, respectively. Notices to the respective parties shall be addressed as follows:

LANDLORD AND
MANAGING AGENTS:

Betty B. Casey Trust
c/o Casey Management Co.
800 South Frederick Avenue
Gaithersburg, Maryland 20877

TENANT:

Montgomery County
Division of Facilities and Services
Leasing Management
110 N Washington Street, Room 318
Rockville, Maryland 20850

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly executed.

WITNESS:

By: Penny Seabolt

LANDLORD:

BETTY B. CASEY TRUST

By: Wanda Shuris

Title: Exec. Admin

Date: 3/18/98

WITNESS:

By: Catherine Vesselt

TENANT:

MONTGOMERY COUNTY,
MARYLAND

By: [Signature]
GORDON AOYAGI, SENIOR ASSISTANT
CHIEF ADMINISTRATIVE OFFICER

Date: 4/2/98

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: Ramona Bell-Pearse

Date: March 16, 1998

RECOMMENDED

By: [Signature]
REY JUNQUERA, CHIEF
LEASING MANAGEMENT

Date: 3/19/98

DSK8/BCASEY.LSE

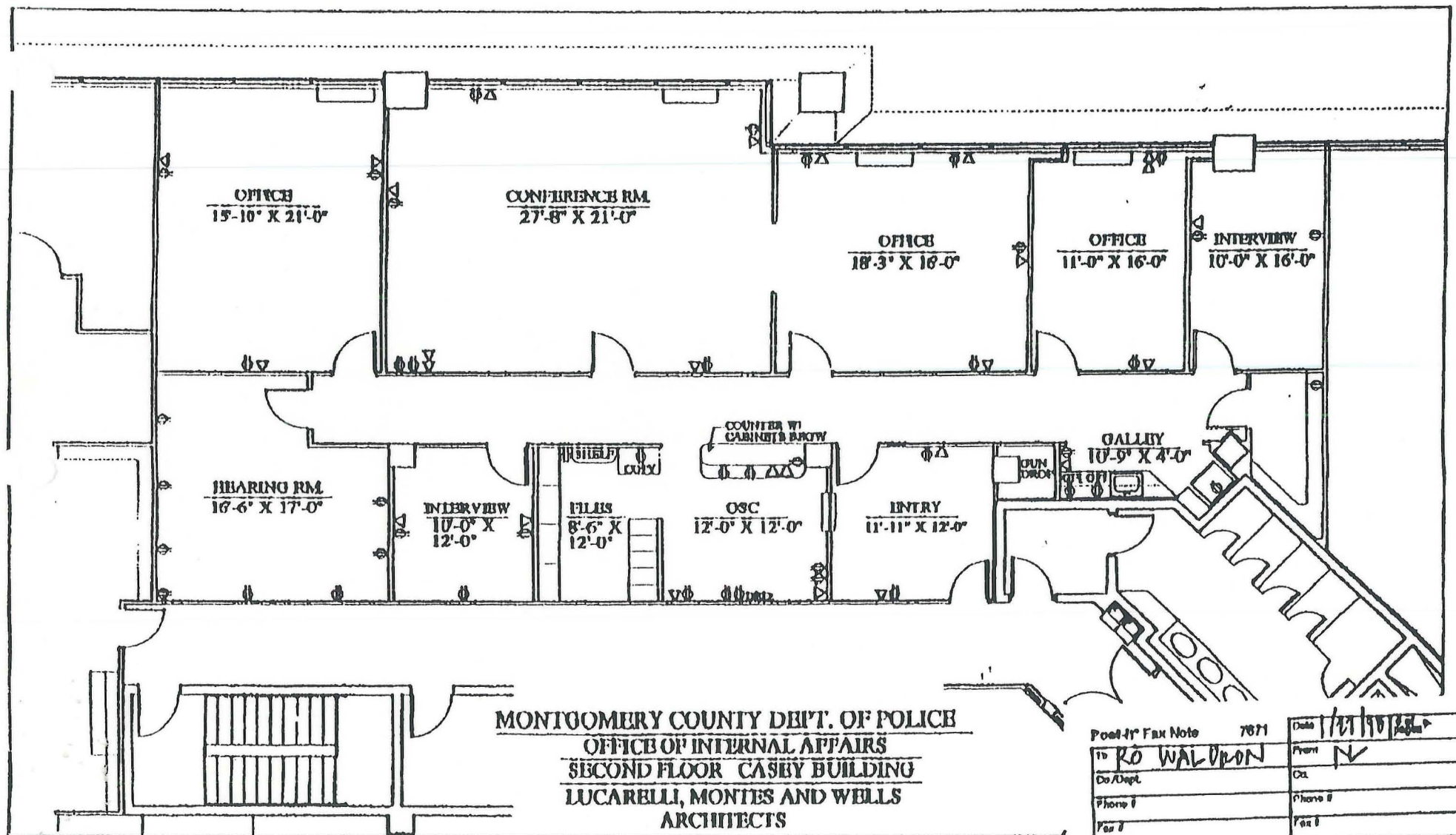


EXHIBIT A

Post-it Fax Note	7671	Date	1/21/90
To	RO WALDRON	From	NV
Co/Dept.		Cd.	
Phone #		Phone #	
Fax #		Fax #	